



Committee On Finance

Max Baucus, Ranking Member

NEWS RELEASE

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BAUCUS PRAISES LUMBER DEAL

Senator Commends Ambassador Schwab, Canadian Government for Hard Work

Washington, D.C. - U.S. Senator Max Baucus (D-Mont.), Ranking Member of the Senate Finance Committee, today applauded the U.S. and Canadian governments for reaching a landmark accord that will end the long-running U.S.-Canada softwood lumber dispute.

"Today is a great day for Montana, for the United States, and for Canada," noted Baucus. **"Today's comprehensive deal closes the book on a dispute that has poisoned U.S.-Canada relations for far too long. Lumber companies in Montana and across the United States can finally breathe a sigh of relief that trade in lumber will now be conducted in a fairer and more stable manner."**

The deal will settle litigation involving duties the United States imposed on imports of Canadian lumber, which the United States has claimed benefit from subsidies that injure the U.S. lumber industry. In March 2002, the United States imposed 27 percent antidumping and countervailing duties on Canadian lumber imports. Canada challenged these duties in the North American Free Trade Agreement (NAFTA), the World Trade Organization (WTO), and U.S. courts. These disputes have produced mixed results for both sides.

Last month, Senator Baucus sent letters to both President Bush and Canadian Prime Minister Stephen Harper, urging the leaders to commit to resolve this longstanding dispute. Baucus has long been a champion of the lumber industry in Montana and throughout the United States. He has consistently supported U.S. interests in the lumber case, argued for a negotiated resolution to the dispute, and met repeatedly with successive U.S. Trade Representatives and senior Canadian government representatives in an effort to resolve the issue.

"I congratulate Ambassador Schwab for her tireless effort to solve this issue," said Baucus. **"Her ability to negotiate a resolution to this most complex dispute demonstrates the great skill and experience she will bring to her job as the new U.S. Trade Representative. I look forward to her swift confirmation."**

President Bush nominated Ambassador Susan Schwab on April 16 to replace Ambassador Rob Portman, who has been tapped to be the next director of the Office of Management and Budget.

"I also congratulate the government of Prime Minister Harper for its determination to tackle such a difficult issue so early in his tenure," said Baucus. **"Canada is our largest trading partner. I hope this experience is a signal – and an example – of how our two governments can work constructively together on other issues of mutual interest down the road."**

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